

I.O. - 9148

I N D E X

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3.	Assassination of Japanese planned by Chinese Communist party.
4.	Chinese Female arrested on North Szechuen Road re throwing stone at Japanese sentry
5.	Memo. to Stations re students collecting funds for anti-Northern campaign & anti-Japanese agitation.
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7.	Anti-Japanese play staged on footpath Thibet Road.
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9.	Handbills, cartoons etc. (31 copies) distributed May 3 & June 7 sent to Japanese Consul-General.
10.	Forcible confiscation of Japanese goods by Chinese Labour Union members, Japanese Millowners Asstn. re
11.	Films, anti-Japanese, re showing of at Chinese cinemas.
12.	Wing On & Sun Sun Coys. receiving communications re boycott of Japanese goods.
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14.	Chinese cotton mill (Wai Tung) alleged fined \$700,000 by Anti-Japanese Boycott Committee re storing Japanese goods.
15.	Japanese Merchants plan to combat seizure of goods by Anti-Japanese Boycott Committee
16.	Canton Gazette article "The Boycott as a Weapon" 23. 11. 28
17.	" " " " " " " " 23. 11. 28.
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19.	Newspaper cuttings re spread of boycott in N. China.
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23.	Confidential. Interview between British Consul-General & Chiang Kai-shek.
24.	Chinese Reporters from Tsingtao to lecture on Tsinan Incident with cinema films. C-Press re.

# Shanghai Municipal Police.

Date.....

10. 91228  
17-5-28

Foreign Section, C.I.D.

Station.

May 17,

1928.

## REPORT ON Japanese Intelligence.

Made by D.S. Kim

Forwarded by

Ruford, A.A.C.P.

About 50 representatives of the Japanese Street Unions held a meeting at 7 p.m. May 16 in the Japanese Club, Boone R'd , on matters concerning the organization of the Japanese Reservists Association. Mr. Hayashi, Chairman of the Committee of the Japanese Amalgamated Street Unions, explained the object of the association and stated there were 142 applicants for membership. The first meeting of the association will be held at 2 p.m. May 20 in the Japanese Club. It is expected that more applications from group, Street Unions, mills and factories will be received.

H.S. Kim

D. S.

AP 17/38 D. H. I.

May 17,

9.

About 30 representatives of the Japanese Street Unions held a meeting at 7 p.m. May 16 in the Japanese Club, Boone R'd., on matters concerning the organization of the Japanese Reservists Association. Mr. Hayashi, Chairman of the Committee of the Japanese Amalgamated Street Unions, explained the object of the association and stated there were 142 applicants for membership. The first meeting of the association will be held at 8 p.m. May 19 in the Japanese Club. It is expected that more applications from groups, Street Unions, mills and factories will be received.

# Shanghai Municipal Police.

7148  
15-5-28

Foreign Section, C.I.D.

Station

May

15,

1928.

## REPORT ON Japanese Intelligence.

Made by D. S. Kim

Forwarded by

*R. J. Forke, A. C. P.*

It is reported that the Committee of the Japanese Amalgamated Street Unions held a meeting at 3 p.m. May 14 in the Japanese Club, Boone Road. Messrs Tomono and Asata made speeches regarding the formation of Japanese Reserve Corps. They also elected ~~all~~ executive officers of all Japanese Street Unions to institute the said corps. The elected officers will meet at 7 p.m. May 16 in the Japanese Club.

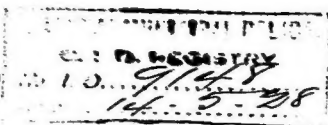
*H. S. Kim*

D. S.

D. C. I.

*SR 15<sup>5</sup>/<sub>28</sub>*

# Shanghai Municipal Police.



Foreign Section. C.I.D. Station.

May 14, 1928

## REPORT ON Japanese Intelligence.

Made by D. S. Kim Forwarded by Rudolph, A. C. P.

It is reported that an urgent meeting of representatives of Japanese Street Unions will be held at 3 p.m. to-day at the Japanese Club, Boone Road, to discuss important matters relating to the Tsinan affair.

The local Japanese Reservists Association held a meeting at 2 p.m. May 13 in the Japanese school, North Szechuen Road. About 120 persons were present. Mr. Asata Lieutenant-Colonel, was elected chairman and in a speech explained to the audience the duties of the reservists. The meeting then passed the following resolutions:-

1. That all men present at the meeting should be members of the association.
2. That the association should make the necessary preparation to cope with the situation.

*H. S. Kim*  
D. S.

*ST 11/14/28*  
D. C. I.

It is reported that an urgent meeting of representatives of Japanese Street Unions will be held at 5 p.m. to-day at the Japanese Club, Boone Road, to discuss important matters relating to the Tsinan affair.

The local Japanese Reservists Association held a meeting at 2 p.m. May 13 in the Japanese school, North Szechuen Road. About 120 persons were present. Mr. Asato Lieutenant-Colonel, was elected chairman and in a speech explained to the audience the duties of the reservists. The meeting then passed the following resolutions:-

1. That all men present at the meeting should be members of the association.
2. That the association should make the necessary preparation to cope with the situation.

# Shanghai Municipal Police.

SHANGHAI MUNICIPAL POLICE	
C. I. D. REGISTRY	
No. I. O.	91228
Date	May 13, 1928

Foreign Section, C. I. D. Station

May 13, 1928

REPORT ON Japanese Intelligence.

Made by D. S. Kim Forwarded by *R. J. Fork, A. A. L. P.*

It is reported that the contents of the petition telegraphed by the local Japanese Chamber of Commerce to the Japanese Government yesterday are as follows:-

"Although anti-Japanese feeling is growing stronger every day owing to the fabricated propaganda of Chinese regarding the Tsinan affair, we are safe here at present under the proper protection of our naval force. We believe it will not be beneficial for Japanese should further trouble spread along the Yangtze Vally, therefore, we are desirous that our government will carefully consider the matter and take drastic action, should Japanese life and property be threatened in future."

*H. S. Kim*  
D. S.

*13/5/28*  
D. S. *W*



May 13,

8.

It is reported that the contents of the petition telegram sent by the local Japanese Chamber of Commerce to the Japanese Government yesterday are as follows:-

"Although anti-Japanese feeling is growing stronger every day owing to the ill-treated position of Chinese regarded the Foreign power, we are unwilling at present under the given position of our local power. We believe it will not be beneficial for Japanese should further trouble arose due to the Japanese War, therefore, we are desirous that our government will carefully consider the matter and to a drastic action, should Japanese life and property be threatened in future."

# Shanghai Municipal Police.

Hongkew

Station.

May 12,

1928.

**REPORT ON** A meeting held at the Japanese Club, Boone Road.

Made by J. W. Prince, C. D. I. Forwarded by E. Powell Smith

Sir,

I beg to forward the following report submitted by J.D.I. Nakagawa, this morning. *copy of a letter which was sent to the J.D.I.*

A meeting of the committees of the Japanese Amalgamated Association of Street Unions, and Japanese Resident ' Association, was held at the Japanese Club, Boone Road, on May 9th when the following measures to be taken during a time of emergency were decided, and a Special Headquarters Committee appointed, as follows,

to supervise the work of all sections.

Messrs - Suganuma - Shigefugi, Naval and Military Attaches. Mr. Otozila - Vice Consul. Mr. Yonesato - Chairman of the Japanese Chamber of Commerce, Mr. Fukushima - member of S.M.C. Mr. Kawabata - Chairman of Committee of Japanese Residents' Corporation.

Sections. The Committee will decide

(1) when the Roads - North Szechuen Road and Northern District are safe.

(2) In case only the Settlement is safe.

(3) In case of danger in and to the Settlement.

Sections. Communication Section shall inform

(1) residents of District under their charge when necessary to evacuate, and shall consider other necessary measures to be taken. Mr. Hanasato, Chief of Police is in charge of this Section.

(2) Transportation Section under Mr. Hayashi, Chairman of the Japanese Association of Street Unions, will attend to transportation of Refugees to safety zones.

# Shanghai Municipal Police.

Station.

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REPORT ON

Made by Forwarded by

(3) Accommodation for Refugees Section under Mr. Ota will attend to procuring necessary accomodation for Refugees within safety zones.

(4) Food supply Section under Mr. Hanawa Vice-Chairman of the Administrative Committee of Japanese Residents Corporation shall attend to procuring necessary food supplies for Refugees.

(5) Liaison Section under Mr. Osahi, will keep in communication with the Japanese Consulate-General, Japanese Marine Corps, Japanese Residents Corporation, Association of Streets Unions, Shanghai Municipal Council and Shanghai Defence Forces. The aforementioned Section Leaders will study necessary measures to be taken and report the same to Headquarters.

It was also decided that the present situation in Shanghai is not serious, but the Japanese residents in Chinese Territory, and North Szechuen Road Extension, are required to note the following:

Orders to evacuate in case of emergency.

(1) signal warning by Japanese Marine Corps

a) Emergency bugle call will be sounded.

b) Flags will be hoisted at Japanese Marine Corps Barracks - Japanese flag over signal Flag "B" - Green and Red signal lamps at night time.

Flag B. (These shall be hoisted during day and night) Green and red lamps during the night.

(2) Information shall be sent by the Consulate through the Street Unions. All persons should evacuate as soon as they hear

# Shanghai Municipal Police.

Station.

192

## REPORT ON

Made by

Forwarded by

the bugle blown or they receive the information to go to places of safety. In case that they could not traverse to the Settlement roads, they should assemble at places as much near as possible to the Settlement and notify the Marine Corps or the Japanese Consulate. They should take refuge if they consider it necessary without being informed.

### Places to take refuge

#### (1) North Szechuen Road and Hongkow Districts

- 1) Japanese Girls' High School, Scott Road.
- 2) Public School, N. Szechuen Road Extension.
- 3) Azaleas Terrace, North Szechuen Road Extension.
- 4) Japanese School, North Szechuen Road Extension.
- 5) Star Cinema Compound, N. Szechuen Road Extension.
- 6) Nishi Honganji, Boone Road.
- 7) Higashi Honganji, Woosung and Chanco Roads corner.
- 8) Chioen, Range Road.
- 9) Japanese Club, Boone Road.
- 10) Yih Fong Lee Alleyway, off Woosung Road.
- 11) Shanghai Mainichi Hall, Woosung & Thorne Roads corner.

#### (2) Eastern District:

- 1) No. 2 Mill of the Shanghai Cotton Spinning Co.
- 2) N.Y.K. Wayside Wharf.

#### (3) Western District:

- 1) Nos. 3 and 4 Mill of the Naigai Wata Kaisha.
- 2) Quarters of the Japan-China Cotton Mill, Robison Road.

#### (4) The French Concession:

# Shanghai Municipal Police.

Station:

192

## REPORT ON

Made by

Forwarded by

1) M.B.K. Quarters.

2) Mitsu Bishi Shoji Kaisha's Quarters.

(5) Tung Weh College District:

1) Tung Wen College.

It is decided by the Japanese Amalgamated Associated of Street Unions to organize a Volunteer Service Corps in order to meet the present grave situation in Shanghai. The Corps will be composed of ex-service men and of young m. . . The chief objects of the Corps are to render assistance in case of emergency.

As a result of resolutions passed by the Chinese public bodies to sever economic relation with Japan, no change has been made with regard to business in the market yet although trade in export and import has been slightly affected.

Your Obedient Servant,

*[Signature]*

C. D. I.

A. C. P. Political.

12/5. R.D.Y.

D.C.I.

Information. J.D.I.

Nakagawa has been instructed to keep us regularly informed of the situation as regards Japanese & their arrangements.

4 Copies sent CP  
2 extra copies attached.  
R.D.Y.

42 5/28

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End*

CONFIDENTIAL.

Copy of C.I.D. Report dated 12/5/28.

A meeting of the Committees of the Japanese Annalgamated Association of Street Unions, and Japanese Residents' Association, was held at the Japanese Club, Boone Road, on May 9th when the following measures to be taken during a time of emergency were decided, and a Special Headquarters Committee appointed, as follows: to supervise the work of all sections.

Messrs - Suganuma - Shigefugi, Naval and Military Attaches. Mr. Otozu - Vice-Consul. Mr. Yonesato - Chairman of the Japanese Chamber of Commerce, Mr. Fukushima - member of S.M.C. Mr. Kawabata - Chairman of Committee of Japanese Residents' Corporation.

Sections. The Committee will decide.

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(2) Transportation Section under Mr. Hayashi, Chairman of the Japanese Association of Street Unions, will attend to transportation of Refugees to safety zones.

(3) Accommodation for Refugees Section under Mr. Ota will attend to procuring necessary accommodation for Refugees within safety zones.

(4) Food supply Section under Mr. Hanawa Vice-Chairman of the Administrative Committee of Japanese Residents Corporation shall attend to procuring necessary food supplies for Refugees.

(5) Liaison Section under Mr. Osahi, will keep in communication with the Japanese Consulate-General, Japanese Marine Corps, Japanese Residents Corporation,

Association of Streets Unions, Shanghai Municipal Council and Shanghai Defence Forces.

The aforementioned Section Leaders will study necessary measures to be taken and report ~~xxx~~ the same to Headquarters.

It was also decided that the present situation in Shanghai is not serious, but the Japanese residents in Chinese Territory, and North Szechuen Road Extension, are required to note the following:

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(a) Emergency bugle call will be sounded.

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Flag B. (These shall be hoisted during day and night) Green and red lamps during the night.

(2) Information shall be sent by the Consulate through the Street Unions. All persons shall evacuate as soon as they hear the bugle blown or they receive the information to go to places of safety. In case that they could not traverse the Settlement roads, they should assemble at places as much near as possible to the Settlement and notify the Marine Corps of the Japanese Consulate. They should take refuge if they consider it necessary without being informed.

#### Places to take refuge.

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- 4) Japanese School, North Szechuen Road Extension.
- 5) Star Cinema Compound, N. Szechuen Road Extension.
- 6) Nishi Honganji, Boone Road.
- 7) Higashi Honganji, Woochang and Chapoo Roads corner

3.

- 8) Chioen, Range Road.
  - 9) Japanese Club, Boone Road.
  - 10) Yih Fong Lee Alleyway, off Woosung Road.
  - 11) Shanghai Mainichi Hall, Woosung & Thorne Road  
Corner.
- 2) Eastern District:-
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Spinning Co.,
  - 2) N.Y.K. Wayside Wharf.
- 3) Western District:
- 1) Nos. 3 and 4 Mill of the Maigai Wata  
Kaisha.
  - 2) Quarters of the JapanChina Cotton Mill,  
Robison Road.
- 4) The French Concession:
- 1) L.B.K. Quarters.
  - 2) Mitsu Bishi Shoji Kaisha's Quarters.
- 5) Tung Weh College District:
- 1) Tung Wen College.

It is decided by the Japanese Amalgamated Association of Street Unions to organize a Volunteer Service Corps in order to meet the present grave situation in Shanghai. The Corps will be composed of ex-service men and of young men. The chief objects of the Corps are to render assistance in case of emergency.

As a result of resolutions passed by the Chinese public bodies to sever economic relation with Japan, no change has been made with regard to business in the market yet although trade in export and import has been slightly affected.



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3.

- 8) Chioen, Range Road.
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2) Eastern District:-

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- 2) N.Y.K. Wayside Wharf.

3) Western District:

- 1) Nos. 3 and 4 Mill of the Naigai Wata Kaisha.
- 2) Quarters of the JapanChina Cotton Mill,

Robison Road.

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# Shanghai Municipal Police.

Foreign Section, C. I. D. Station

May 12, 1928.

REPORT ON Japanese Intelligence.

Made by D. S. Kim

Forwarded by

*Rudolph, C. I. D.*

It is reported that the local Japanese reservists association will hold an urgent meeting in the Japanese school on North Szechuen Road at 2 p.m. May 13 to discuss certain matters relative to the present critical moment and to institute a drive for new members in order to revive the association's activities.

It is also reported that the special committee of the Japanese Chamber of Commerce held a meeting in the Japanese Club, Boone Road, at 1.30 p.m. yesterday and drafted a petition regarding Tsinan affairs to be telegraphed to the Japanese Government

The contents of the draft petition will be discussed at the special meeting of the officers of the Japanese Chamber of Commerce which will be held at 1.30 p.m. today and will be telegraphed at once to the Japanese Government. It is believed that the petition will be toned down a little because the original draft is rather strong.

*H. S. Kim*

D. S.

D. C. I.

# Shanghai Municipal Police

SHANGHAI MUNICIPAL POLICE
C. I. D. REGISTRY
No. 1. O. 9148
Date 12-5-28

Foreign Section, C.I.D. Station.

May II, 1928

REPORT ON Proposed Japanese Protection Corps.

Made by D. S. Kim

Forwarded by *Rutledge, A. J. P.*

It is reported that Mr. Hayashi, Chairman of Committee of the Japanese Amalgamated Street Unions, issued instructions to the Japanese Street Unions yesterday to organize a Young Men's Service Corps (Self Protection Corps) based on the following regulations:-

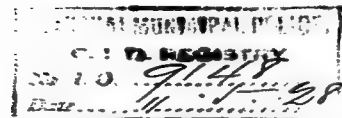
## Regulations of Young Men's Service Corps.

1. The Corps will be known as "The Young Men's Service Corps of \_\_\_\_\_ Street Union".
2. Object of the corps is for the service of fellow country men when such service is required.
3. The president of the Street Union will be in charge of the corps.
4. The corps will be composed of 5 sections, each section to be composed of ten members one of whom will be chief of the section.
5. The members should obey orders of the chief of the corps, sectional chief and senior members of the street union.
6. Expenses of the corps should be born by the Street Union.

*B. 11/28*

*H. S. Kim*  
D. S.

*D. C. I. 6/25*



Foreign Section, C.I.D.

May 10,

3.

MADE BY *S. L. Kim*

It is reported that the Committee of the Japanese Amalgamated Street Unions held a meeting in the Japanese Club, Boone Road, at 6 p.m. May 9, and decided to organize a Japanese armed self protection corps composed of reservists and members of the Street Unions in order to protect Japanese life and property in Shanghai should anti-Japanese trouble arise. It was also stated that they were assured by their government that an army will be dispatched to Shanghai at once if it is needed.

In connection with arms for the said corps Mr. Hayashi, Chairman of the Committee of the Japanese Amalgamated Street Unions, will interview with Mr. Jada, Consul-General and Colonel Matsunoto, Commander of the Japanese Naval Force in Shanghai.

Mr. Hayashi will also send a petition to the S. M. C. to request the Commissioner of Police to send foreign police officers to Canton Road to deal with anti-Japanese posters posted along the road, and to take positive measures instead of a mild attitude regarding the anti-Japanese movement.

*Signed S. L. Kim*  
*S. L.*

*Note: Original of this report in Op. C. 65.*  
*[Signature]*

# Shanghai Municipal Police.

C. I. D. REGISTRY  
No. 10. 9148  
Date. 10/4/28

Foreign Section, C.I.D. Station.

May. 9. 1928

REPORT ON Japanese meeting.

Made by

D. S. Kim

Forwarded by

*Rudolph, A. A. C. P.*

It is reported that Japan will present very heavy demands to the Nanking Government after putting her forces along the Yangtze Vally and in Shantung, otherwise she will take Shantung until the Tsinan affairs are properly settled.

It is also reported that Japanese Consular officers, prominent Japanese residents, and responsible officers of local Japanese organizations held a secret conference last night (probably in the Japanese Consulate) to discuss ways and means of protecting Japanese life and property along the Yangtze Vally should trouble break out, but the details of the meeting are not obtainable.

The majority of Japanese believe that Japan must resort to arms to make China observe Japanese national dignity and recognize the special privileges of Japanese in China.

*H. S. Kim*

D. S.

*9.30*  
D. C. I.

*Information*

*CP*

*9/5-*

*Amis*

10 MAY 1928

16

SHANGHAI MUNICIPAL POLICE  
C. I. D. REGISTRY  
No. 1. 6. 948  
Date 5/13/28

THE CANTON GAZETTE, THURSDAY, NOVEMBER 22, 1928

## THE BOYCOTT AS A WEAPON

People who are not accustomed to ponder well all the phases of some given subject are usually in the habit of passing their judgment off hand. Thus it is that we often hear the remark made in certain quarters that the boycott is a cowardly weapon, the explanation offered for this sort of reasoning being that its enforcement is tantamount to "hitting below the belt." In Shanghai, in the "longest bar in the world," where queer theories are daily expounded between cocktails as to how best to "save China from her ills," the boycott is held up as a typical example of "John Chinaman's cowardly nature." Not so long ago the present writer heard a "prominent" Shanghaiander declare that he "had no use for a people who refused to go to war," which, in his opinion, is the "direct method" of dealing with opponents, but who nevertheless did not mind hitting the other fellow below the waist. Just why it is that some folks are in the habit of reasoning things out in this manner we are not in a position to say but it is, however, true that all up and down the China Coast, where good fellows get together, this sort of reasoning is daily expounded.

The fact of the matter is that the boycott is not only not a cowardly way of bringing one's opponent to reason but is a courageous method of expressing resentment towards acts of wanton Imperialism. The present anti-Japanese boycott is not so much directed towards the Japanese people but the Tanaka Government which, from its very inception, sought to enslave China or a portion of it into becoming a vassal of Japan. What better reason is there for the Chinese people to refuse to continue to be treated to Big Stick policies than the dispatch of troops to China on the slightest pretext ostensibly for the purpose

of protecting Japanese lives and properties but in reality to indulge in land-grabbing and control of the country's economics? And what better method is there to bring it home to the Japanese nation that the Chinese people highly resent the Imperialistic tendencies of the Tanaka government? Wars never accomplish anything, they but cause the loss of innocent and valuable lives. Boycotts, on the other hand, give the other fellow ample time to think things over. Therefore, we say, the boycott, as a weapon, is much the more honorable.

There is a tendency now on the part of Japan's propagandists to minimize the serious consequences of the present boycott to the Japanese side. Mr. George Henson Res, chief exponent of the Japanese Cause now has an associate in the person of Mr. Sokolsky. Mr. Res does not say very much these days but Mr. Sokolsky has been trying to make out that the loss of business by the Japanese in China as a result of the boycott is infinitesimal; that Japan's trade with the rest of the world has increased, and that the boycott will but incite the Japanese traders and manufacturers to greater efforts to sell Japanese products to other nations. This story sounds peculiarly similar to that of the fox and the grapes! Presumably Mr. Sokolsky does not understand Japanese. If he does, and if he would make it a point to hear what the Japanese traders in North and South China have to say in respect of the shortsightedness of the Tanaka government's China policy, Mr. Sokolsky would be in a better position to judge the real facts of the situation. But Mr. Sokolsky, like Mr. Res, prefers to hear what the sabre-rattling Tokyo premier has to say.

However, as they have it in French, CHACUN A SON COUT.

a/d. e. i.  
Information  
J.R. 1/12/28  
H.R. 1/28



## THE EFFECTS OF THE BOYCOTT

In our issue of yesterday, we commented editorially upon the futility of minimizing the effects of the boycott. Mr. Sokolsky had written that what Japan lost in China as a result of the movement was more than counteracted by her trade expansion in other regions. This sort of reasoning is very poor consolation indeed to the multitude of Japanese small traders in China whose business has been well-nigh ruined by the boycott. One has only to hear the comments of the small Japanese traders in China to realize fully the seriousness of the situation in so far as these traders are concerned.

There are some 250,000 Japanese in Manchuria and 60,000 in the rest of China. Only a few Japanese concerns in China come under the category of large corporations. In fact, one can almost count such corporations on the fingers of one's hands. The vast majority of Japanese concerns in China is composed of one or two-men affairs, with a capital ranging from 10,000 yen to 50,000 yen. The large corporations, with ramifications in Japan and in countries other than China, are, of course, not so seriously affected by the boycott, but there is no question that the small concerns have their backs to the wall, and are seriously worrying over the coming year-end settlement.

If the boycott continues indefinitely, as the result of Baron Tanaka's sabre-rattling policy in China, what will be the final plight of these small traders? It may be true that Japan's trade with other countries has expanded to such an extent that the decline of Japanese trade in China does

not affect Japanese finances, but can anyone truly affirm that this is of benefit to the small Japanese traders in China? If they finally become so reduced in circumstance as to be unable to carry on any longer, will the Japanese Government turn over the surplus accrued from Japan's trade with South America and India, say, to these small traders in China?

The plight of the Japanese traders in Manchuria is not as serious as that of those in the rest of China. But then, the average turn-over of the Japanese small trader in the Three Eastern Provinces is, in normal times, not as large as the turnover of his compatriot in other parts of the Chinese Republic. In South China, the Japanese small trader with a capital of 10,000 yen, has an annual turn-over of 40,000 yen in normal times, whereas in Manchuria, the average turn-over does not greatly exceed the capital involved. From this it will be seen how serious is the situation to the Japanese small traders in China.

As a result of the shortsighted policy of Baron Tanaka, whose conception of diplomacy is the free use of the Big Stick, the small Japanese traders in China are now holding goods which they are unable to sell. Nor are they able to enter into fresh commitments with Chinese merchants. Many not only owe money to the banks but to manufacturers and suppliers in Japan as well, and the coming year-end will find these unfortunate people in dire straits.

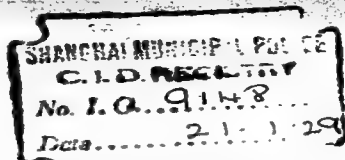
It is all very well for the propagandists to paint rosy word pictures in an effort to hoodwin the general public, but the real facts belie all these pro-Tanaka effusions.

Leo  
4/12

A/D. C. J.

Information

gld H.R. 3 12/28



"DO NOT FORGET the May 3 Incident of ~~Shanghai~~, when Japanese troops massacred thousands of our soldiers and citizens. Our brethren should unitedly arise and offer resistance. We should sever all economic relations (with the Japanese) for ever".

"Let us be courageous, and be undaunted by the (enemy's) display of armed force".

"Persuade your wives and members of your household Not to buy Japanese goods".

"The ambition of the Japanese is growing, as she continues the occupation of Shantung".

"THE MESSAGE IN SHANTUNG ! THE MESSAGE IN SHANTUNG !  
DO YOU REMEMBER THIS? BRETHREN !"

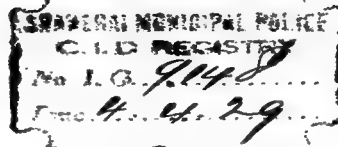
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Comments.

1. As the British Consulate was outside the Japanese Defence Zone, it was not possible to get such good information or to witness the proceedings as effectively as if one had been inside that area.
2. The telephone system went out of order very shortly after the affair started and remained so during the whole period under review. Telegraphic communication also ceased from May 1st.
3. The origin of the conflict remains obscure, everybody appears to have a different version, varying in fact in proportion with their Chinese or Japanese sympathies. It is certain, however, that the Chinese made several attempts to force the Japanese sentries in the same manner as they have employed before. An eye-witness informed me of a coolie, who was observed to bare his breast and advance towards a sentry, daring him to strike. The sentry complied with his request? R.I.P.
4. The conduct of the Japanese soldiers has been admirable: they show an utter disregard of danger, and though they treat the Chinese in a distinctly harsh manner, it is only in accordance with their mode of training. Towards foreigners, they have observed a firm but respectful attitude. Their morale is excellent.
5. The Chinese have also respected foreign property up to date, but even before the clash occurred, there were indications that this would not remain the case for long.  
As soldiers, they cannot be considered as anything more than an armed rabble, their deficiencies being thrown into glaring relief by their contact with trained troops. Approximately 30,000 Chinese troops have been literally hunted out of TSINAN by 3,000 Japanese and a squad of Japanese soldiers is sufficient to set a whole Chinese battalion running. Their morale appears to be completely broken. How this army has fought its way up from CANTON, passes one's comprehension.
6. A most gratifying spectacle was afforded by the disarmed Southern troops, particularly the long-haired type of student-officer, whose shamed-faced attitude was a pleasant contrast to anything one has seen hitherto.
7. It was noticed that the Chinese grey uniforms were less conspicuous than the Japanese Khaki: the red ca-band and rank badges of the latter made a good target. The detachment which came from TIENTSIN wore tin helmets.  
A few of the Chinese soldiers also had tin hats.
8. The Consular armament consists of six old type long Lee-Enfield rifles and some Mark VI ammunition of 1910 date. It is suggested that if this armament is really intended for use in emergency, a more modern type might be furnished.
9. In conclusion, it must be acknowledged that the Chinese have at last obtained what they have been asking for. For the first time, within recent years they have encountered forcible opposition, and retribution has been meted out to them in a manner which might have been employed at HANKOW and NANKING. Subsequent events will prove the justification or otherwise of the Japanese action. Suffice it to say, for the moment, the Chinese have received the most salutary lesson since the Boxer rebellion.

CONFIDENTIAL.

TSingtao



May 8th.

1928.

On May 4th, the British Consul General had an interview with Chiang Kai-shek, in which the latter requested the good offices of the former to get into touch with the Japanese authorities with a view to ending hostilities. Owing to all communications being broken down, (the telephone ceased functioning an hour after the affair started) I took the message to the Japanese Consulate. The streets were still deserted and some action was going on down one of the streets as I passed. The part of the town near the Japanese Consulate appeared to have suffered severely in the fighting, several houses being wrecked and in some cases burnt out.

The following information was obtained from the Consul General:-

- (i) The present activity was due to the clearing up of certain areas by the Japanese troops.
- (ii) Gunmen and snipers were still very active and several bombs had been thrown at the troops from various points: one or two had exploded in the Consulate.
- (iii) Japanese military casualties amounted to 17 killed and 40 wounded, a further seven were reported killed during the morning.
- (iv) Communication with TSINGTAO was interrupted, the Kiaochow-Tsinan line was cut out in no fewer than eighteen places. The W/T plant which had been brought down from TIENTSIN would not function properly.
- (v) He had been in touch with Chiang Kai-shek and the latter had promised to withdraw his troops from the Settlement, but apparently his orders could not, or would not be carried out.

After this interview, I visited the General Staff Headquarters which were now located in a house almost opposite the Japanese Consulate, where I met the G.O.C. (General Fukuda) and the Chief of Staff (Colonel Kuroda). They both corroborated the statements made by the Consul General and Colonel Kuroda expressed some apprehension as to the possible shortage of food supplies owing to the railway being out.

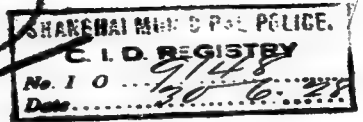
I returned to the Consulate at 1215 hours.

No thing of interest occurred during the afternoon until 1700 hours, when a Company of Japanese infantry and a machine gun section proceeded to search the houses to the South of the Consulate. The object in view was to clear out the gunmen and also to search for any Japanese civilians who might be there. The plan was admirably carried out, the machine guns being placed at each corner in order to fire down either road, while the infantry, with some Chinese Police went through the buildings. Four Chinese were observed to be shot, and several shots in the buildings probably accounted for some more. The affair finished at about 1900 hours.

At 2030 hours, a Japanese armoured car came round with an official from the Japanese Consulate and the American Consul, with a request that we should accompany them to the Japanese lines to witness some corpses of Japanese civilians who had been caught by the Chinese soldiers. We proceeded to the Military Hospital. In the mortuary, a most unpleasant sight was revealed: twelve corpses were laid out, all more or less badly mutilated. Two of them were women, one an obviously young girl who had been dealt with in the typical Chinese manner. The corpses of several Japanese soldiers were also seen.

A further batch of infantry reinforcements, strength about 800 men, was seen to arrive about 2100 hours.

We returned to the Consulate in the armoured car at about 2230 hours.



June 30, 28.

The Acting Secretary,

C. M. C.

Anti-Japanese Boycott.

Chinese General Chamber of Commerce.

Further to my letter of June 20 with reference twenty-five bales of cotton cloth, alleged to be of Japanese origin, which was seized on June 18 in Paoshan Road, Chapei, by the Shanghai General Committee for opposing Japanese Atrocities\* which remains stored in the Chinese General Chamber of Commerce, North Honan Road. The owner of this cloth is undoubtedly a Chinese citizen but his failure to protest against the seizure leaves his exact identity unknown.

Commissioner of Police.

(C.I.D.) Office Notes

File No. June 29, 1938.

Verification of the information contained in a Health Dept. report re. the method of slaughtering pigs & disposal of carcasses in Chapei has not yet been obtained. The Chinese Section is making enquiries through various channels & a full report will be submitted on July 2.

25 bales of cotton cloth, alleged to be of Japanese origin, which was seized on June 18 in "Pasdan Rd., Chapei", by the Shanghai General Committee for opposing Japanese Atrocities remains stored in the Chinese General Chamber of Commerce, H. Honan Rd. The owner of this cloth is undoubtedly a Chinese citizen but his failure to protest against the seizure leaves his exact identity ~~unknown~~.

seen by.

D. L. J.

R. D. Yorke  
a. l. J. P.

10  
9.0. 9148.

June 20.

28.

The Acting Secretary,

G. H. G.

Anti-Japanese Boycott.  
Chinese General Chamber of Commerce.

The following appears in the Intelligence Report to-day:-

"Twenty-five bales of cotton cloth, seized by representatives of the Shanghai General Committee for opposing the Atrocities of the Japanese troops on June 13 in Nankin Road, Chapei, are now stored in the Chinese General Chamber of Commerce, North Henan Road."

This would appear to be a serious matter which should be taken up immediately with the Senior Consul.

(Sd) R.

Commissioner of Police.

10 10/9/48/p  
File No.

(C.I.D.) Office Notes

~~For report.~~

Consignments have been held  
up at places outside our  
Settlement as is known,  
but only one case of  
interference occurred in  
the Settlement recently in  
which arrests were made  
& accused convicted. Have  
we had any other cases?

ACP (Pol)

4/20/28

M. Ban, Secretary of the Japanese Cotton  
Millowners Assn. of China was assured in  
our letter of June 11 (para. 1) that every  
precaution is being taken to guard against  
the unlawful activities of boycott organizations  
in the Settlement.

Only the one case has occurred in the  
Settlement.

W. S. R. J.

R. J. forke  
A. J. P. 1/6

I. has necessary  
he  
D. J.

We can, if you consider necessary, furnish  
M. Ban with a list of seignior O. O. L. as they  
appear in our records. R. J.



**在 華 日 本 紡 績 同 業 會**  
**THE JAPANESE COTTON MILLOWNERS' ASSOCIATION IN CHINA**

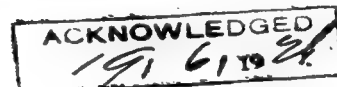


OFFICE:-  
 THE YOKOHAMA SPECIE BANK BUILDING,  
 24, THE BUND.  
 TELEPHONE 21208  
 21209

SHANGHAI, CHINA.

Assistant Commissioner of Police (Foreign),  
 The Administration Building,  
 Shanghai.

June 18, 1928.



Dear Sir : -

With reference to the recent unlawful confiscations of various merchandises in transit due to the machination of local labour-agitators we venture to remark that since Tsi-an Affair there came into existence the so-called Anti-Japanese Boycott Committee, whose main efforts consist in sending round half-baked students and ignorant workmen and seizing different merchandises during transportation in and around Shanghai City.

The picket parties in question are no respecter of nationality. Though no information is available as to the number of offences thus committed on goods of Chinese property certainly several tens of the same cases may be counted up to date, covering quite a wide range of variety of commercial ware.

No less number of the similar offence has been suffered by the Japanese business houses - a fact which has doubtless already come to your official knowledge. In this connection we think it worth while to quote hereunder what actually happened on June 13th 1928. The following merchandise from the local Japanese commercial establishments was put forward for transportation en route for Hankow and Tientsin:

1. 120-bales Cotton Yarn  
     93-bales Cotton Cloth ..... Consigned by Toyo  
   Menka Kaisha.  
   loaded on 3 native lighters
2. 125-bales Cotton Yarn ..... Consigned by Nippon  
   Menkwa Kaisha.  
   loaded on 2 native lighters
3. 30-bales Cotton Yarn  
     10-bales Cotton Cloth ..... Consigned by Itoh & Co.  
   loaded on 1 Kokusai Unyu Kaisha's Lighter

**在 華 日 本 紡 績 同 業 會**  
**THE JAPANESE COTTON MILLOWNERS' ASSOCIATION IN CHINA**

- 2 -

OFFICE:-  
THE YOKOHAMA SPECIE BANK BUILDING.  
24, THE BUND.  
TELEPHONE 111000  
111000  
11588

SHANGHAI, CHINA.

Total shipment quantity ...275-bales Cotton Yarn  
.....103-bales Cotton Cloth,  
Total Shipment value ..... Tls 88,000.-

The shipment was being taken on Soochow Creek down to the River Whampoo in order to be transhipped aboard the N.K.K. s/s "Kasan-maru" bound for Tientsin and the s/s "Tachang-maru" bound for Hankow both scheduled for sailing at daybreak on June 14th 1938 from N.K.K. wharf, Pootung, and on their way to the steamers the lighters were interrupted from proceeding farther by the picket party from Anti-Japanese Boycott Committee comprising some 40 students and 100 or so coolies.

Thereupon the man in charge of the lighters tried all in vain to explain that the shipment represented private property of business houses being run by the local Japanese, and then the picket party lost no time in taking away the whole shipment only to be carried on by a tugboat down to Nantao for detention in a certain godown there.

Because the unlawful confiscation of the merchandises took place midstream on the River Whampoo the Japanese consulate General of Shanghai has already lodged a protest of the most strong character with the Chinese authorities concerned.

On the other hand we are writing you the present letter as there seems every likelihood of the students and labour elements in question committing a similar offence in our side of Settlement boundaries - the element whose activity can only be termed simply crazy. We should feel greatly obliged under the circumstance, if you could take official action effective enough to guard against such a likelihood.

beg to remain,

Expressing our thanks in anticipation, we

Yours faithfully,

  
Per Business Secretary,  
The Japanese Cotton Millowners' Association in China.

10

FILED
RECEIVED
No. I. O. 9148/10
Date 11/6/28

June 11

8

Sir,

In reply to your letter of June 4 to the address of the Assistant Commissioner of Police (Foreign), I have to inform you that every precaution is being taken by the Municipal Police to prevent interference with merchandise in transit by unruly elements connected with Labour Unions and organizations formed to enforce the anti-Japanese boycott.

In the case referred to by you as occurring on May 31, six arrests were made by the Police for (1) interfering with the transportation of merchandise, and (2) larceny on May 30 of six bales of Japanese manufactured cotton cloth, the property of two Chinese merchants resident in the Settlement. The latter charge was the result of a Police raid on premises, No. 2498 East Seward Road occupied by a boycott organization. Prosecuted in the Provisional Court, two of the accused persons were sentenced to fifty days' imprisonment, two to two months' imprisonment each and the remaining two were discharged.

A copy of the remarks made by the Senior Consul's Deputy who, in conjunction with Judge Hsiung, heard this case, is attached herewith.

Yours faithfully,

he

Director of Criminal Investigation.

Y. Ban, Esq.,  
Secretary,  
The Japanese Cotton Millowners'  
Association of China.

**Copy of a Protest made by the Senior Consul's Deputy  
in the Provisional Court on June 8, 1928.**

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The literature, documents, badges, etc. seized at the premises of the branch office in East Seward Road show beyond doubt that part of an extensive organization is established within the limits of this Settlement, which organization aims at forcing people to abstain from dealing in Japanese goods and, if the people are unwilling to do so, to deprive them thereof by force, thereby causing its members to violate the law and expose them to persecution and punishment.

It is a well known fact that locally meetings advocating an anti-Japanese boycott have been held at an equally well known place, which meetings are no secret, and, so long as people of his mentality are allowed a free hand in egging on others or making it attractive to them to commit what may be styled hostile acts against a foreign state, the Settlement Authorities will be faced with extreme difficulties in maintaining peace and order.

It is also a well known fact that the Shanghai Labourers Anti-Japanese Diplomacy Committee, at one of its meetings, passed a resolution to write to the Chinese Bar Association and also to request certain headquarters to arrange the release of the accused, as if the Court would lend itself to be terrorised by any professional or political organization.

I take grave exception to the misbehaviour of Mr Peu Tsing Yuh, who, after pleadings in this case were closed and before judgment was pronounced, made a written application to this Court for bail for the accused and signed and sent a letter purporting to come from the Chinese Bar Association, setting forth what is supposed to be the view the said Association has regarding this case, namely that all accused are not guilty.

Although the Judge pointed out to him that he had no standing in the present Court at all, he not having appeared

for the accused during the trial, he insisted on making statements and in handing in his power of attorney.

I respectfully draw the attention of the President of this Court to such gross misbehaviour and suggest that disciplinary steps be taken against him immediately.

Furthermore, I wish to express my utmost surprise that Mr. Sih Yu Seng, who evidently desires to be considered the responsible legal representative of the complainants in this case, should be so unprincipled as to get up in Court at the close of the trial and endeavour to prejudice his clients' case by invoking the Court's leniency on the grounds of what he is pleased to call the patriotism of members of an organization which, in this particular case, most obviously aimed at the ruin of its commercial competitors by illegal means.

在華日本紡績同業會  
THE JAPANESE COTTON MILLOWNERS' ASSOCIATION IN CHINA

RECEIVED  
HEADQUARTERS  
CENTRAL REGISTER  
298  
Date 4/6/28

Bn:Ok

OFFICE:-  
THE YOKOHAMA SPECIE BANK BUILDING,  
24, THE BUND.  
TELEPHONE C. 3333 C. 1925  
C. 1925

SHANGHAI, CHINA.

Assistant Commissioner, (Foreign)  
The Police Department,  
Administration Building, city.

June 4th 1928.

Re : Criminal Activities of Labour  
Union Members in the Mill District

Dear Sir : -

On behalf of the members of this association resident here in Shanghai we would like to bring to your particular notice the grave anxiety being felt by the mill authorities over the possible development of labour trouble as borne out by the forcible confiscation of goods, though unsuccessful, perpetrated by a few workers' Union members on Ping Liang Road on the afternoon of May 31st 1928.

The goods threatened with detention was from Kung Dah Cotton Mill, being on the delivery order issued by Ito & Co. in favour of Mei Fong concern to the value of Tls 2,650.-

Further details are, we presume, in your possession and require no reiteration here. As a matter of fact the case is expected to be brought before the Provisional Court in due time.

Since the criminal act was committed in the broad daylight in an area full of Cotton Mills under Japanese management and delivery forms an essential phase of their daily transaction we should appreciate it very much, if you could afford such police protection as relieve them of the said anxiety so that they may carry on business without hindrance.

Yours very sincerely,

Per Business Secretary,  
The Japanese Cotton Millowners'  
Association in China.

6/5  
D. L. J.

Reply to letter  
has sent. R. J. J.

490  
Not for my department  
Rep (P) 11/5/28

December 8, 1928

THE CHINA WEEKLY REVIEW

53

# Boycott Seriously Affecting Japanese Traders in Both North and South China

BY J. A. J.

There is a tendency now on the part of Japan's propagandists to minimize the serious consequences of the present boycott to the Japanese side. Mr. George Bronson Reed, chief exponent of the Japanese Cause, has now an associate in the person of Mr. Sokolsky. This latter gentleman has been trying to make out that the loss of business by the Japanese in China as a result of the boycott is infinitesimal, that Japan's trade with the rest of the world has increased, and that the boycott will but incite the Japanese traders and manufacturers to greater efforts to sell Japanese products to other nations. This story sounds peculiarly similar to that of the fox and the grapes! Presumably Mr. Sokolsky does not understand Japanese. If he does, and if he would make it a point to hear what the Japanese traders in North and South China have to say in respect of the short-sighted China policy of the Tanaka government, Mr. Sokolsky would be in a much better position to judge the real facts of the situation.

The fact of the matter is that the Japanese in China have been very seriously affected by the boycott. The big Japanese firms, in view of their business interests and connections in various parts of the world, and because of their ability to secure credits from the Japanese banks as well as assistance from the Japanese Government whenever needed, are, of course, in a position to more or less face periods of stress, but for every large Japanese concern in China there are a couple of hundred of small traders and it is these small traders that have been very seriously hit by the boycott. When it is taken into consideration that there are some 200,000 Japanese in Manchuria and 60,000 in the rest of China, one immediately realizes that the few large Japanese business houses in China do not represent the real standard of the effects of the anti-Japanese boycott. There are countless one-man concerns with capital ranging from 10,000 to 50,000 yen that are now faced with serious difficulties and the propagandists would do well to study their plight before indulging in silly attempts to minimize the real nature of the situation.

## Japanese Traders Are Worried

The small Japanese traders in China, from Mukden to Canton, are worrying over the first approach of the end of the year, the time to effect a settlement with their creditors, namely the manufacturers in Japan who have extended credits to them, and the banks who have granted them overdrafts. Their funds are all tied up in goods and these goods cannot be sold on account of the boycott. Of course conditions vary in the various parts of China, for example the small Japanese traders in Manchuria, while affected, are in a better position than the traders in the rest of China, but we must not run away with the idea that just because there are 200,000 Japanese in Manchuria and only 60,000 in the rest of China, the better situation of the former counteracts the predicament of the latter. Such is not at all the case. For the average Japanese small trader in Manchuria does not, in normal times, have anything approaching the turn-over of the average Japanese trader in Central or South China. Whereas the Mukden small trader, with a capital of 10,000 yen, may have a turn-over of 40,000 yen annually (in normal times), the Canton small trader, with a similar capital, may easily have an annual turn-over of 80,000 yen in normal times.

It is a poor way of reasoning that just because the trade of Japan with countries other than China has increased, whatever is lost in China is to be considered as infinitesimal. It may be some consolation to the Japanese manufacturers to be able to sell 25 per cent. more goods to South America and India, thereby off-setting the 25 per cent. lost in China, but it is poor consolation to the small Japanese traders in China. Napoleon referred to the English as being a "nation of shopkeepers" but these "shopkeepers" have kept the Union Jack flying. Just as the middle class is usually the backbone of a nation, the "small traders" are usually the backbone of trade. How many individuals are there who can set up a company with a capital of a million, a half million or even a quarter of a million dollars? Only a very few in comparison with the multitude of persons who are able to start business with a capital of a few thousand dollars.

Mr. Sokolsky does not seem to have taken the trouble to ascertain all the facts. What he has done is to swallow the doses given by headquarters! If Mr. Sokolsky knows Japanese and would investigate the predicament of the small Japanese traders in China, he would be a bit more wary of minimizing the effects of the anti-Japanese boycott. It is a poor method to take as a standard the expansion of Japan's trade with other countries in off-setting the decline of Japanese business in China. It is not only unscientific but too transparent. Such propaganda stunts do not really lead anywhere.

## Indignant at Tanaka's Policy

The small Japanese traders in China are justly indignant with Tanaka's China policy. They have seen how the Chinese have persistently refrained from purchasing Japanese products even though they may have been called upon to pay higher prices for goods from other countries. In piece goods, we have the authority of Japanese consular officials in South China for it that British goods have largely supplanted Japanese goods. The writer has compiled a list of goods hitherto largely imported from Japan but which are now entering China from other countries. The material for this article has been secured from a list of Japanese small traders in South China and not from Baron Tanaka, nor yet from Mr. Yamamoto of the South Manchuria Railway Company.

Cotton blankets hitherto entered China on a large scale from Japan. Now they are imported from Great Britain and Germany, with a percentage from the United States. Piece goods are now largely brought from England and Germany. Perfumery and toilet articles now come almost solely from the United States, France and Germany. In Patent Medicines, there is a great decline in imports from Japan, hitherto a large supplier. In Sea Products, the Japanese trade has been lost in favor of Java, British India and to some extent the United States. In Paper, almost all of China's requirements are now filled by countries other than Japan.

To say that the small Japanese traders in China are highly dissatisfied with the China policy of the Tanaka government and greatly discouraged as to the future is putting it very mildly indeed. Many have lost every cent they have saved in the past several years from profits earned and are now carrying on in a hand-to-mouth manner. The plight of these small merchants is no joke although the propagandists have sought to make fun of the boycott and its consequences. In South China as well as in Central China many are facing bankruptcy, and unless the Japanese government finds the money to assist these small merchants to weather the storm, there is going to be great distress at the year end.

## A Protest to Tokyo

It is reported that the small Japanese traders in South China are proposing to send delegates to Tokyo, not for the purpose of pressing for the maintenance of a firm "positive policy" towards China but for financial aid and for the introduction of a policy more in consonance with the times. These small merchants complain, not without reason, that they are innocent victims of the situation and that on account of the sabre-rattling policy of the Tanaka Government, they are held up to oburgation by the Chinese. The impression of non-Japanese is that all Japanese are blindly patriotic and at all times make it a point to stick to their Government through thick and thin. This may be true of the Meiji era but is certainly far from being the case now.

It is a well known fact that Japanese consular officials in China have reported fully upon the plight of the small traders in this country, pointing out the danger of "dangerous thoughts" spreading among them. While no one has been heard to say anything against the Emperor, many have expressed the desire to see Baron Tanaka consigned to Hades. Paper dealers, piece-goods merchants, dealers in toys and perfumery and toilet articles are one and all in serious straits.

Japan may be making the extra 25 per cent elsewhere to counter-balance the 25 per cent. of her foreign trade lost in China but that is not helping the small traders in this country in any way.

The writer explained to a Japanese trader the other day the substance of Mr. Sokolsky's recent propaganda article. The trader promptly replied that the Japanese Government had got together a number of foreigners for its tools. The Japanese Government, he said, is always very clever that way!

Canton, Dec. 2, 1928.

J. A. J.

Information

C. J. D. Reg. A.R. 8 12/28  
Please file. 9/12/28